



KATHLEEN BABINEAUX BLANCO
GOVERNOR

State of Louisiana
DIVISION OF ADMINISTRATION
OFFICE OF RISK MANAGEMENT

JERRY LUKE LEBLANC
COMMISSIONER OF ADMINISTRATION

May 22, 2006

**AMENDMENT NO. 3
REVISIONS
ISSUED BY THE DIVISION OF ADMINISTRATION-
OFFICE OF RISK MANAGEMENT**

Bid Proposal No.: FEC-19

FOR: **Section I:** Excess Following Form All Risk (All Perils, Excluding Flood) Building and Personal Property Coverage for All Louisiana Properties (Buildings and Contents). Flood Coverage included only on the Properties NOT included in Section II.

Section II: Flood Coverage for All Louisiana Properties (Buildings and Contents) that are located in flood zones A and V south of the I-10/I-12 corridor, excluding Baton Rouge and Lafayette city limits, and those properties previously damaged by flood in a prior declared disaster.

Section III: Elevation Certificates issued by a qualified land surveyor, engineer, or architect for those properties in Section II

Bid Opening Date: REVISED May 26, 2006 10:00 A.M.

This amendment provides for clarification and additional information. **This amendment must be signed and returned.**

If you have any questions concerning this amendment, please call Melissa Harris at (225) 342-8414.

Bidder/Contractor Signature

Revision 1

IFB Reference: FORM ORM-02
Page No.: 1 of 152

The bid opening date has been changed to Friday, May 26, 2006 at 10:00 a.m.

Revision 2

IFB Reference: Part IV, General Bid Information, Item 6.1.4.4
Page No.: 17 of 152

The third paragraph of 6.1.4.4 has been clarified to state that \$50,000,000 (rather than \$75,000,000) excess flood coverage will apply above the self-insured retention of \$50,000,000.

Amendment No. 2 supercedes Amendments No. 1 and 2 changes to this same wording.

Revision 3

IFB Reference: Part I, Terms and Conditions, Item 5.2
Page No.: 6 of 152

Louisiana Purchasing Regulations allow 72 hours (3 days) between the release of an amendment to an Invitation for Bid specification and the bid opening date and time. This paragraph has been revised to state this wording.

Revision 4

IFB Reference: Exhibit I, Bid Quotation Form
Page No.: 21 of 152

This is to clarify that Layer 1 must attach at \$50,000,000 SIR level.

STATE OF LOUISIANA – INVITATION FOR BID

PROPOSAL NO.: FEC-19
 Page 1 of Error!
 Bookm
 ark not
 defined
PROPOSAL **MUST BE RECEIVED** NO LATER THAN

TIME:

10:00 A.M.

REVISED DATE:

May 26, 2006

FOR INFORMATION CONTACT:

Melissa Harris

PHONE:

(225) 342-8414

EMAIL:

Melissa.Harris@la.gov

This document constitutes an invitation to submit sealed bids, including prices, from qualified individuals and organizations to furnish those services and/or items described herein.

Proposals **must** be mailed to the Office of the Governor, Division of Administration (DOA), Office of Risk Management or hand carried to its offices at 1201 North Third Street, Suite G-192, P. O. Box 91106, Baton Rouge, Louisiana 70821-9106.

STATE OF LOUISIANA – VARIOUS STATE DEPARTMENTS, AGENCIES, BOARDS AND COMMISSIONS

FOR

Section I: Excess Following Form All Risk (All Perils, Excluding Flood) Building and Personal Property Coverage for All Louisiana Properties (Buildings and Contents). Flood Coverage included only on the Properties NOT included in Section II.

Section II: Flood Coverage for All Louisiana Properties (Buildings and Contents) that are located in flood zones A and V south of the I-10/I-12 corridor, excluding Baton Rouge and Lafayette city limits, and those properties previously damaged by flood in a prior declared disaster.

Section III: Elevation Certificates issued by a qualified land surveyor, engineer, or architect for those properties in Section II

CONTRACT PERIOD:

Policy to be effective for the period of 12:01 A.M. **July 1, 2006 to 12:01 A.M. July 1, 2007 with two (2) one-year options to renew at the same rates.** Bids will be received up to **10:00 A.M., May 26, 2006** by the Administrative Section of the Office of the Governor, Division of Administration, Office of Risk Management, 1201 North Third Street, Suite G-192, Baton Rouge, Louisiana. At the same hour of the same day and date bids will be publicly opened and read in the conference room at the Division of Administration, Office of Risk Management address. Bids received after this time will be returned to the bidder/contractor unopened.

PRE-BID CONFERENCE

A pre-bid conference regarding this IFB will be held **Thursday, May 4, 2006 at 10:00 A.M.** in the Office of Risk Management (ORM) Conference Room, 1201 North Third Street, Suite G-192, Baton Rouge, Louisiana. All bidders/contractors should bring a copy of the IFB as it will be used as part of the agenda. **Attendance at this conference is required to submit a bid.**

BIDDER/CONTRACTOR INFORMATION/SIGNATURE:

The bidder hereby agrees to provide the insurance coverage and related services, at the prices quoted, pursuant to the requirements of this document and further agrees that when this document is countersigned by an authorized official of the State of Louisiana, a binding contract, as defined herein, **shall** exist between the bidder and the State of Louisiana.

Insurance Agency Name

Signature of Designated Authorized Insurance Agency Representative

Print Name

Title

Mailing Address (Bidding Agency)

Telephone

City

State

Zip Code

ORM-02 Continued

THE FOLLOWING SECTION IS FOR STATE OF LOUISIANA USE ONLY		
NOTICE OF AWARD	PROPOSAL NUMBER:➔	FEC-19
This proposal is accepted by the State of Louisiana as follows:		
STATE RISK UNDERWRITING SUPERVISOR	STATE RISK DIRECTOR	DATE

INVITATIONS FOR BID – FORM ORM-02

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PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*
	*	PART IV	*	REVISED	*
FEC-19	*	GENERAL BID	*	May 26, 2006	*
		INFORMATION			
					PAGE
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stated valued for such property as is shown in the latest Schedule of Property Values or other documentation on file with the Office of Risk Management, nor shall liability exceed any specific Limit of Insurance applying to any insured loss, coverage or location(s). The only exceptions being the following:

- Movable building structures will be afforded coverage on an actual cash value basis.
- Personal property purchased through the Louisiana Public Facilities Authority or the Third Party Financing Master Installment Purchase Agreement **must** be insured as indicated in Schedule A of these specifications.

6.1.4.2 If a covered property has been damaged in a prior “declared disaster” and has received public assistance through FEMA (other than flood), the excess policies will pay on those properties first up to the amount of the previous loss reimbursed through FEMA. See 44 CFR Part 206. 253, items (b)(2) and (c).

Example: Building Replacement Cost is \$10,000 and the amount of damage reimbursement from FEMA was \$1,000, then the policy will pay up to \$1,000 on this property first if damaged in another declared disaster.

For the purposes of this bid and the excess coverage requested, “declared disaster” includes all loss or damage occurring during a period of 72 consecutive hours which is caused by or results from a storm or weather disturbance which is named by the National Weather Service or any other recognized meteorological authority and/or assigned a catastrophe code number by the National Weather Service or other proper authority. Storm or weather disturbance includes all weather phenomenon associated with or occurring in conjunction with the storm or weather disturbance, including, but not limited to, flood, wind, hail, sleet, tornadoes, hurricane or lightning.

6.1.4.3 The Business Income and Extra Expense Coverage, found in the underlying self-insurance policy forms and endorsements in Schedule B of these specifications, is limited to 20% of the self-insured retention (\$10,000,000) per occurrence. This coverage in the excess policy layers is to be limited to 20% of the total amount of insurance purchased.

6.1.4.4 The flood/earthquake coverage in Section I will apply to only those properties NOT included in Section II. Those properties that are located north of the I-10/I-12 corridor, including Baton Rouge and Lafayette city limits, and which were not previously damaged by flood in a prior declared disaster must be included.

Properties south of the I-10/I-12 corridor, with the exclusion of Baton Rouge and Lafayette city limits, NOT covered by an individual flood policy, will be provided coverage in the underlying self-insurance policy (reflected in the water damage and flood coverage endorsement, BP004, Item A., in Schedule B of these specifications), BUT COVERAGE IS TO BE EXCLUDED IN THE EXCESS POLICIES.

This flood/earthquake limit **shall** be \$50,000,000 excess of the \$50,000,000 self-insured retention per occurrence with a \$50,000,000 aggregate for each annual policy period. Flood exposure data can be found in Schedule A of these specifications. This \$50,000,000 aggregate limit does not apply separately for each peril. All covered loss resulting from the perils of flood and earthquake would apply to the aggregate.

6.1.4.5 The following wording, or its equivalent, will be acceptable in all excess layers: “It is understood and agreed that payments by Louisiana ORM for flood losses occurring south of the I-10/12 corridor, with the exclusion of the city limits of Baton Rouge and Lafayette, will not contribute toward the erosion of the self-insured retention.”

6.1.4.6 The underlying self-insurance policy in Schedule B of these specifications uses the ISO Exclusion of War, Military Action and Terrorism Form (IL 09 41 01 02). The following terrorism wording, or equivalent, will be acceptable in all excess layers:

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PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*
	*	PART I	*	REVISED	*
FEC-19	*	TERMS AND	*	May 26, 2006	*
		CONDITIONS			
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the appropriate IFB number, page and paragraph number, etc. However, do not place the IFB number on the outside of the envelope containing questions since such an envelope will be identified as a sealed bid and will not be opened until after the official bid close date and time. Correspondence should be mailed to the Office of Risk Management, P. O. Box 91106, Baton Rouge, LA 70821-9106.

5.2 All questions **must** be received by ORM at least fifteen (15) calendar days prior to the bid opening date. All answers will be mailed to the vendors within three (3) calendar days prior to the bid opening date.

5.3 Questions will also be permitted at the Pre-Bid Conference. The IFB will contain the date, time, and location of the Pre-Bid Conference. Attendance will be at the bidder's/contractor's expense. The bidder/contractor should bring a **copy** of the IFB since it will serve as the agenda. However, since impromptu questions may be asked and since spontaneous answers may be given, the only official position of ORM **shall** be the position or answer issued to bidders/contractors in writing. Transcripts are not made nor issued to bidders/contractors.

6. Instructions for Submission of Bid(s) by Bidders/Contractors

6.1 A proposal submitted **must** be manually signed in ink by the designated authorized representative of the insurance agency and the insurance company. ORM will accept either the original insurance company designated authorized representative's signature submitted with the bid response or a facsimile copy of the insurance company designated authorized representative's signature on EXHIBIT III in lieu of an original signature. The original of EXHIBIT III containing the insurance company designated authorized representative's original signature **must** be received at ORM's office within ten (10) working days after the bid opening date. Failure to timely submit said original of EXHIBIT III may result in rejection of the bid. Submission of a bid bond in compliance with PART IV, Item 3 of these specifications does not eliminate the requirement of a company and an agency signature; however, the submission of a bid bond allows any authorized person from the company and the agency to sign the invitation in lieu of the designated authorized person.

6.1.1 The designated authorized representative of the insurance agency **shall** manually sign in ink the following:

6.1.1.1 Form ORM-02

6.1.1.2 Any amendments to the specifications

6.1.2 The designated authorized representative of the insurance company **shall** manually sign in ink the following:

6.1.2.1 EXHIBIT III

6.2 All attachments **shall** be returned as follows:

6.2.1 **Must** contain all information required by the IFB.

6.2.2 The bid **shall** be priced as required in the IFB.

6.2.3 **Must** be sealed in an envelope or box with security deposit attached, if required.

6.2.4 **Must be delivered to the Office of Risk Management - Administrative Section and officially clocked in no later than the exact time on the date as specified in the IFB.**

6.2.5 **Entire IFB and Amendments (if applicable) shall be returned except as otherwise provided in these specifications.**

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PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*
		EXHIBIT I		REVISED	*
FEC-19	*	BID QUOTATION	*	May 26, 2006	*
		FORM			
				PAGE	*
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EXHIBIT I
BID QUOTATION FORM

SECTION I

Excess Following Form All Risk (All Perils, Excluding Flood) Building and Personal Property Coverage for All Louisiana Properties (Buildings and Contents). Flood Coverage included only on the Properties NOT included in Section II effective July 1, 2006 with two one-year options to renew at the same rates.

SINGLE LAYER QUOTATION

LAYER	<u>Indicate Coverage Layer</u>	¹ Total Annual Installment Premium (Including any policy Tax, surplus tax, Policy fees, etc.)	² Less Commission Return (Per LA R.D.39:1632)		¹ Net Annual Installment Premium
	Layer 1 must attach at \$50,000,000 SIR level				
1				(%)	
2				(%)	
3				(%)	
4				(%)	
5				(%)	
6				(%)	
7				(%)	
8				(%)	
9				(%)	
10				(%)	

TOTAL OF 1ST \$150,000,000 OF COVERAGE ** :	
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**** The entire bid (Sections I, II and III) will be awarded based on the quoted Net Annual Installment Premium of Section I for all layers up to and including \$150,000,000. ORM reserves the right to purchase, or not to purchase, any layer(s) and/or Section(s) of this bid at the cost quoted on the awarded bid. For example, ORM may choose not to purchase any coverage quoted in Section I, but may elect to purchase Sections II and III. If a quotation does not include premiums for layers up to and including \$150,000,000, then the bid will be disqualified.**

The contractor who receives the award based on the above criteria will be responsible for the insurance and services required in Sections II and III of this proposal.

¹In the event the percentages of policy tax, or surplus lines tax or other taxes increase due to changed legislation, the bidder(s)/contractor(s) **shall** absorb the increases as the State cannot pay more than the amounts quoted on the successful bid except in the instances of increased coverage.

²For explanation refer to PART II - Technical Specifications, Subsection 1, General Specifications, Paragraph 1.10 and PART IV - General Bid Information, Subsection 2, Pricing Information, Paragraph 2.4. **Bidder/Contractor must reflect percentage of total premium which will be returned to the State.**